

BRAND, LOWELL & RYAN

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November 10, 1998

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HAND DELIVERED

Alva E. Smith, Esquire
Attorney
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Matter Under Review 4814

Dear Ms. Smith:

Enclosed please find the response to the complaint in the above captioned matter under review filed by Respondents Friends of Jim Maloney Committee and the Honorable James H. Maloney. We have attached to the response a facsimile copy of the declaration from Ms. Margaret Tansey, Finance Director for the Respondent committee. We will hand deliver the "hard" copy when we receive it.

Please do not hesitate to call if you have any questions or require additional information.

Sincerely,



David E. Frulla

DEF/vkp

Enclosures

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of:)	
)	
Friends of Jim Maloney Committee, <i>et al.</i> ,)	Matter Under Review 4814
)	
Respondents)	
)	

**RESPONSE TO COMPLAINT BY
THE FRIENDS OF JIM MALONEY COMMITTEE
AND THE HONORABLE JAMES H. MALONEY**

The Friends of Jim Maloney Committee ("Committee") and the Honorable James H. Maloney (collectively, "Respondents") submit the following response to the complaint filed in the above-referenced matter under review. For the reasons set forth herein, we respectfully request that the Commission take no further action in connection with this matter under review. The Committee began addressing the contributions identified in the complaint herein even before the Commission served the complaint on Respondents. *See Declaration of Margaret Tansey, ¶ 2* (attached hereto as Exhibit A). The Committee already addressed all the contributions identified in the complaint and thereafter filed amended reports on October 15, 1998, thus well before the general election, reflecting each such contribution's individual disposition to the extent required by law. *Ibid.* at ¶ 6.

The issues in this matter under review arise from the fact that certain states, such as Connecticut and Utah, employ a three-tiered system (convention, primary, and general) to select their congressional delegations. The three-tiered system has caused complications, certain of which the Commission has addressed in a series of advisory opinions. *See, e.g.*, A.O. 1986-21; A.O. 1982-49; A.O. 1978-30; A.O. 1976-58. Neither the Commission's regulations nor its advisory opinions have addressed every issue presented by the three tiered reporting system, however. For instance, no specific guidance from these sources exists

regarding whether a nominee's selection at the convention exempts the candidate from filing disclosure reports on the dates (*i.e.*, the primary date) on which other candidates in the state are required to file such reports. *Compare* 11 C.F.R. § 110.1(j)(4) ("A primary election which is not held because a candidate was nominated by a caucus or convention is not a separate election **for purposes of the limitations on contributions** of this section.") (emphasis added).

This lack of specific guidance regarding this reporting issue has yielded confusion in other cases. As the Complainant has correctly identified, a Republican Connecticut congressional candidate has also filed a primary report after having been selected by a convention. *See* Commission Matter Under Review ("MUR") 1775. The General Counsel's Report in MUR 1775 explained:

What occur[red] here, however, was an initial series of reporting errors by DCC [the respondent campaign committee] in reports of contributions filed with the Commission. Those errors resulted from the fact that in those reports DCC listed all contributions received after the date of the convention but prior to what would have been the date of the primary (had it been held) as being for the primary rather than the general election (except for those contributions which were specifically designated for the general election; those contributions were correctly reported).

FEC MUR 1775, First General Counsel's Report, at 3-4.¹ Based on these facts, the General Counsel recommended that the Commission impose no sanction on the respondent, and the Commission adopted this recommendation.

The facts in the instant matter under review are, for all practical purposes, identical to MUR 1775. The only difference is that, the Committee, acting promptly and conscientiously,

¹ We note that Federal Election Commission matter under review materials are not as accessible as advisory opinion materials. The MUR materials are not available on line, are not catalogued in any reporter system as the advisory opinions are, and, we understand, are only physically available at the Federal Election Commission's offices in Washington, D.C.

refunded 2.7% of the total amount (and 1.6% of the total number) of contributions at issue herein for one of three reasons set forth in Ms. Tansey's declaration. However, only **one** contribution (0.3% of all the contributions by number and 0.4% of the total amount of all the identified contributions) was refunded because applicable contribution limits precluded the Committee from retaining it. *Cf. Commission Explanation and Justification for 11 C.F.R. § 110.1(j)(4)* ("Hence, the candidate is required to refund or seek redesignation of primary contributions if the contributors have exhausted their contribution limits for the caucus or convention.") This relatively miniscule number of refunds does not represent a material difference between the instant matter under review and MUR 1775. Nor does it demonstrate that the Respondents were knowingly attempting to violate the federal campaign finance laws; **in fact, they identified the contributions involved on publicly filed reports that they were, according to Complainant's theory, not even required to file.**

Finally, Respondents take great exception at Complainant's utterly baseless, politically-motivated claim that the issues presented herein represent the next in a series of efforts by them to violate the law. In regard to the 1994 situation, the Committee's predecessor timely refunded the contributions in question and with complete notification to the Commission.²

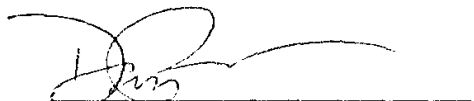
² It is not surprising that the Connecticut Republican Party would look for any way, legitimate or not, to raise this 1994 issue in the 1998 election. In 1998, Respondent Maloney was involved in one of the tightest general election races in the country; indeed, he had been specifically targeted for defeat by the national Republican Party. In reference to the 1994 issues, regarding the reimbursement of contributions by the Congressman's brother during the 1996 election cycle, the United States Attorney for the District of Massachusetts stated, following his office's thorough investigation, that "U.S. Attorney Stern said there was no evidence that Congressman James H. Maloney had any knowledge of the conspiracy or of these conduit contributions." (The United States Attorney's Office's statement is attached hereto as Exhibit B.)

Complainant also erroneously contends that Respondents had engaged the same activity alleged in this case during the 1996 cycle; however, Complainant attached to its complaint correspondence between the Respondent Committee's predecessor and the Commission which addressed **convention** – not primary – contributions during the 1996 election cycle.

For the foregoing reasons, Respondents respectfully request that the Commission take no further action in this matter under review, just as it did in Matter Under Review 1775 (which precedent the Complainant itself identified as fully applicable).

Respectfully submitted this 10th day of November, 1998

BRAND, LOWELL & RYAN, P.C.
(A Professional Corporation)



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Counsel for Respondents
Friends of Jim Maloney Committee and
The Honorable James H. Maloney

DECLARATION OF MARGARET TANSEY

I, Margaret Tansey, do hereby declare and state as follows:

1. I am the Finance Director of the Friends of Jim Maloney Committee ("Committee") and make the following declaration based on my own personal knowledge.
2. Even prior to the Committee's receipt of the complaint in this Matter Under Review from the Federal Election Commission, the Committee had begun addressing each contribution identified in the complaint individually.
3. In addressing the identified contributions, the Committee determined that there were seven (7) possible courses of action: (1) no action was required because the contributor had specifically designated the contribution for the 1998 general election and the Committee reported it as such; (2) the contributor did not designate the contribution for any election, so the Committee could amend its Federal Election Commission form to report the contribution was for the 1998 general election (the next election) to the extent that such amendment did not cause the contributor to exceed the general election contribution limit; (3) the contributor did not designate the contribution for any election, and the Committee sought the contributor's authorization to redesignate the contribution for the 1994 or 1996 general election (the prior Maloney campaigns of 1994 and 1996 have net debts outstanding) within the 60 day period for redesignation; (4) the contributor designated the contribution for the 1998 primary election, in which case the Committee sought the contributor's approval to redesignate the contribution for the 1994, 1996, or 1998 general election, provided the 60 day period for redesignation had not lapsed and provided that such redesignation did not cause the contributor to exceed applicable general election contribution limits; (5) two contributions specifically designated for the 1998 primary had to be refunded because the 60 day period for redesignation had lapsed; (6) one contribution specifically designated for the 1998 primary had to be refunded because prior contribution activity made redesignation of the funds unavailable; or (7) the contributor, upon receipt of the redesignation form from the Committee, chose to have his/her contribution refunded rather than redesignated, even though such redesignation would have been both within the 60 day period and not barred by prior contribution activity.
4. Attached hereto as Exhibit 1 is a summary table that shows how each of the contributions to the Committee were addressed. The "Action" column in the chart attached as Exhibit 1 corresponds to the number of the disposition option identified in Paragraph 3 above.

Ex. A

5. In summary, of 305 total contributions identified in the Complaint, one contribution in the amount of \$1,000 (Kennelly for Congress) was refunded because it exceeded applicable contribution limits and two contributions totaling \$4,000 (Hibernia Bank, Laborers Political League) were refunded because the 60 day redesignation period had lapsed.
6. The Committee obtained the necessary redesignation authorizations, where applicable, and filed amended reports reflecting the above-described steps with the Federal Election Commission on October 15, 1998.

Further Declarant sayeth not.

I declare under the penalty of perjury that the foregoing is true and correct.


Margaret Tansey

Donor	Date	Amt	Refund	Redesig	Action
ABA	6/26	\$1,000			1
ABA	7/14	\$1,000			1
ABA	9/1	\$4,000	1000		7
A F of M, Tempo	8/25	\$250		\$250	4
AFGE PAC	8/26	\$500		\$500	4
AFL-CIO	6/30	\$3,000			1
AFSCME	12/22	\$5,000			1
AFT PAC	8/15	\$5,000			1
AICPA PAC	8/26	\$1,000			2
Air Line Pilots PAC	8/12	\$1,000		\$1,000	4
Allied Signal PAC	5/11	\$500			1
AMA PAC	8/18	\$2,500			1
Am Maritime Officers	8/4	\$500		\$500	4
Am Nurses PAC	8/26	\$2,500		\$2,500	4
Am Acad Otolaryngology	8/17	\$500			2
Am Soc Plastic Surg	8/10	\$500			2
America Works	8/5	\$1,000		\$1,000	4
Wright Andrews	8/4	\$500			2
Paul Antinozzi	5/6	\$250			1
Andrew Apicella	7/21	\$250			2
Walter Archer	8/3	\$250			2
Richard Arconti	8/25	\$250			2
Thomas Arconti	8/25	\$300			2
Arthur Anderson PAC	5/28/97	\$500			1
Ted Backer	8/25	\$250			2
Banc One	8/26	\$2,500			1
Banc One	4/8	\$1,000			1
Kennelly for Cong	8/13	\$2,000	\$1,000		6
Jill Edelman Barbarie	8/4	\$250			2
Barney Frank for Cong	8/17	\$1,000			2
Bruce Beck	8/12	\$250			2
Kraemer Sims Becker	8/26	\$500			2
David Belt	6/16	\$500			1
Daniel Benjamin	8/10	\$250			2
David Bennett	8/12	\$1,000			1

Ex. 1

Bert Bertram	8/23	\$500			1
Bethel DTC	7/29	\$500			2
Michael Bick	8/11	\$250			2
Barry Blau	8/26	\$1,000			1
Bob Filner for Cong	9/15	\$1,000		\$1,000	4
Boeing PAC	8/26	\$500			2
Boilermakers	8/26	\$1,000		\$1,000	4
William Honan	8/10	\$300			2
Anthony Borrelli	8/4	\$100			2
Roger Bougie	8/17	\$1,000			1
Christopher Brogan	8/17	\$1,000			1
B'hood Locomotive Eng	8/17	\$500			1
Marion Brown	8/26	\$100			2
Eugene Buckley	8/15	\$1,000		\$1,000	4
Eugene Buckley	8/15	\$1,000			1
David Buonanno	8/26	\$500			2
Carpenters	8/26	\$2,500			1
Robert Carter	5/21	\$500			1
Robert Carter	8/7	\$250			1
Robert Cartoceti	8/4	\$250			2
Stewart Casper	8/26	\$250			1
Stewart Casper	8/26	\$250			1
Dennis Ceneviva	8/17	\$250			2
Champions of Good Govt	8/12	\$500			1
Chase Manhattan Corp	10/31	\$500			1
Chris John for Cong	9/15	\$1000			1
Eileen Cirillo	8/3	\$250			2
Donna Civitello	6/17/97	\$1000			1
APWU	8/12	\$1000			2
Ackerman for Cong	8/25	\$1000			2
Judith Coffey	8/25	\$99			2
Judith Coffey	8/25	\$99			2
William Coffey	7/22	\$500			2
Bruce Cohen	7/22	\$250			2
Pathologists	7/24	\$2000			1
Coltec Ind PAC	8/26	\$500			2
Coltec Inc PAC	9/9	\$1,000			1
Jane Condon	7/16	\$250			2

Catherine Conover	8/25	\$250			2
Sally Conroy	8/25	\$250			2
Richard Coopersmith	8/25	\$250			2
Corp Adv Psych	8/26	\$500			2
Joan Crowley	8/17	\$1,000			1
Lewis Crowley	8/14	\$1,000			1
CT Carpenters	8/7	\$2500			1
CSEA	8/18	\$1,000			2
Danbury Dems	7/31	\$400			2
DCCC	8/12	\$495.96			2
Robert Dean	8/17	\$500			1
Delahunt for Cong	9/15	\$1000			1
Tom DeVine	8/25	\$640			2
Frances Dibner	8/3	\$150			2
Anthony DiCaprio	7/22	\$50			2
Thomas Donohue	7/14	\$250	\$250		7
Thomas Donohue	9/9	\$1,000			1
Larry Dorris	8/25	\$250			2
Patricia Draper	8/14	\$150		\$150	4
Patricia Draper	8/14	\$1,000			1
Thomas Draper	6/17	\$100			1
Thomas Draper	8/15	\$900			1
DRIVE PAC	6/30	\$5,000			1
Martin Dunleavy	8/21	\$250			2
Albert Dwoskin	8/6	\$250			2
James Early	8/7	\$250			2
Ethel Eckhaus	7/14	\$250			2
Effect Gov't Cmte	8/17	\$2,000			2
Gerard Egan	8/4	\$100			2
Gerard Egan	8/10	\$250			2
Stephen Embry	7/29	\$500			2
Stephen Embry	7/29	\$500			1
Robert Emslie	7/14	\$250			2
Gene Eriquez	8/25	\$640			2
Gene Eriquez	8/26	\$175			2
Emp Northrup Grumman	8/12	\$500		\$500	4
Richard Palanzo	8/18	\$250			2
James Falcao	8/26	\$500			2
Halley Faust	11/21/97	\$1,000			1
Ruth Anne Faust	6/29	\$1,000			1
Philip Feltman	8/11	\$500			2
First Amer Corp	7/16	\$500			2
Ellen Fischbein	8/10	\$250			2

Roy Platt	8/19	\$500			2
Robert Fornshell	8/17	\$250			2
Jose Francisco	7/29	\$250			2
Friends of Sherrod Brown	8/5	\$1,000			2
Anthony Gallo	6/17	\$1,000			1
Donna Galluzzo	9/9	\$1,000			1
Kathy Galullo	7/14	\$250			2
Anthony Garcia	8/20	\$250			2
James Gaston	8/17	\$500			2
James Gaston	9/9	\$1,000		\$500	3
Gene Green for Cong	9/15	\$1,000			1
General Dynamics	8/6	\$500			2
Glass Molders	8/3	\$500			2
Cliff Gold	8/13	\$250			2
Alvin Goldman	8/25	\$250			2
Michael Goodman	8/25	\$500			2
Donald Gover	8/26	\$750			2
Donald Gover	8/26	\$250			1
Julian Gregory	8/4	\$200			2
Julian Gregory	8/25	\$200			2
Ira Grudberg	8/7	\$200		\$200	4
Ira Grudberg	8/7	\$50			1
Jean Reynolds Haddon	8/26	\$500			2
Allen Hadelman	7/22	\$250			2
Philip Hadley	7/17	\$250			2
Richard Hale	8/25	\$250			2
John Hammerslough	8/26	\$250			2
Handgun Control	8/17	\$2,000		\$2,000	4
Barbara Hastings	8/26	\$250			2
Helen Davis Hermes	6/25	\$500			1
Joseph Heyman	7/22	\$150			2
Hibernia Bank	7/27	\$2,500	\$2,500		5
John Hickey	7/16	\$250			2
Hoyer for Cong	9/9	\$1,000			1
Robert Hugo	8/26	\$100			2
IBEW	5/13	\$1,000			1
IBEW	6/16	\$200			1
IBEW	6/17	\$3,000			1
IBEW 42 PAC	6/30	\$150			1
Skelton for Cong	8/10	\$500			2

Skelton for Cong	8/20	\$500			2
IBPAT	9/9	\$2500			1
Masters Mates	9/15	\$1000		\$1,000	1
IUE	8/26	\$500			2
IUOE	8/26	\$1,000			1
Ironworkers	6/23	\$500			1
Ironworkers	8/21	\$1,000			1
David Jaffe	6/30	\$1,000			1
Michael Jones	8/6	\$250			2
Spero Jordanides	7/14	\$150			2
Spero Jordanides	7/29	\$125			2
JP Morgan	8/15	\$1,000		\$1,000	4
Allyne Kadish	8/15	\$300			2
Denise Kaiser	8/10	\$250			2
Kaman Good Govt Fund	8/12	\$500			2
Andrea Karlan	8/18	\$500			2
Ken Karlan	9/14	\$1,000			1
Steven Kellogg	8/25	\$250			2
Irwin Kenigsberg	8/17	\$500			1
Robert Kenney	8/17	\$1,000			1
KeyCorp PAC	6/29	\$1,000			1
KidsPAC	7/29	\$1,000			2
Robert Killian	7/14	\$250			2
James Kingston	8/19/97	\$1,000			1
Harvey Koizim	7/20/98	\$250			2
Michael Koskoff	8/10	\$250			2
Herb Krate	8/11	\$250			2
Laborers Pol League	7/29/98	\$1,500	\$1,500		5
Leadership 98	5/1	\$1,000			1
LCV	8/24	\$3.99			2
Robert Lenz	8/6	\$100			2
Lockheed Martin	9/1	\$1,000		\$1,000	4
Henry Lord	10/16/97	\$1,000			1
Henry Lord	6/23	\$250			2
Ruth Lord	10/21/97	\$1,000			1
Ruth Lord	8/25	\$500			2
Machinists	8/25	\$5,000			1
Dennis Magid	7/21	\$25			2
Stephen Malone(y)	8/26	\$500			2
Alan Maloney	7/28	\$1,000			2
Donald Maloney	5/5	\$200			1
Donald Maloney	8/10	\$800			1
Katherine Maloney	12/29	\$1,000			1

Mark Maloney	12/24	\$1,000			1
Andrew Manatos	8/4	\$250			2
Manton for Congress	8/26	\$500			2
Richard Marano	8/26	\$250			2
Edward Marcus	9/9	\$1,000			1
Shelly Marcus	9/9	\$1,000			1
Linda Mariani	8/3	\$500			2
Vincent Mattison	8/26	\$250			2
Paul McIlvaine	8/25	\$250			2
McNulty for Cong	8/26	\$250			2
MOPAC	7/27	\$2,000			2
Lynn Mead	7/29	\$1,000			2
Diane Mellen	4/6	\$1,000			1
Michael Mellen	9/1	\$1,000			1
Valerie Mellen	9/1	\$1,000			1
Menendez for Cong	7/29	\$1,000			2
Richard Middleton	8/4	\$250			2
Donald Mitchell	8/3	\$250			2
Monroe DTC	8/3	\$100			2
MOR-PAC	7/14	\$250			2
Georgia Murray	12/24	\$1,000			1
Linda Murray	7/24	\$250			2
Nabisco PAC	8/18	\$500			1
Nadler for Cong	9/10	\$1,000			1
NARFE	9/10	\$2,000		\$2,000	4
Nat Ldrship PAC	7/20	\$1,000			2
Nat Air Traffic Cont	8/5	\$500		\$500	4
Nat Assoc Soc Wkrs	8/26	\$500		\$500	4
Nat Assoc Water Co	7/31	\$500			2
Nat Cmte Preserve SS & Medicare	8/26	\$1,500			2
Nat Cmte Preserve SS & Medicare	9/15	\$1,000			1
NCEC	8/15	\$2,500		\$2,500	4
NCEC	8/15	\$1,000			1
Nat Home Equity Mtge Assoc	8/4	\$500			1
NCPA PAC	8/7	\$500			2
David Neusner	8/3	\$500			1
Michael Neustadt	8/25	\$250			2

New Dem Network	8/26	\$600		\$600	4
New Fairfield DTC	8/12	\$200			2
Newport News	8/26	\$500		\$500	4
Newport News	9/14	\$2,000		\$2,000	4
Lawrence O'Brien	8/5	\$300			2
OCAWIU	7/27	\$500			2
John Olver	8/5	\$1,000			2
Oxford DTC	8/25	\$522.5			2
Dominick Palumbo	9/9	\$1,000			1
Herbert Pearce	4/26	\$1,000			1
Charles Pillsbury	7/14	\$250			2
PNC BANK PAC	7/13	\$500			2
Pullman Comley	8/26	\$1,000			2
John Rafal	7/21	\$250			2
Raytheon PAC	4/16	\$500			1
Raytheon PAC	6/16	\$500			1
Raytheon PAC	8/12	\$500			1
Realtors PAC	8/4	\$500		\$500	4
Reelect Moakley	8/12	\$1,000			2
Resp Citizens Pol League	8/5	\$500		\$500	4
Frank Riccio	7/16	\$250			2
Timothy Riordan	7/20	\$250			2
James Roach	8/25	\$250			2
Kenneth Rosen	8/26	\$500			2
Louis Rotello	8/25	\$250			2
Bruce Rubenstein	9/9	\$1,000			1
Michael Ryer	8/25	\$250			2
Albert Salame	8/25	\$250			2
James Satterwhite	8/26	\$1,000			2
Albert Schwabenbauer	8/26	\$750			2
Albert Schwabenbauer	8/26	\$250			1
Seafarer PAC	8/12	\$500		\$500	4
Matthew Shafner	7/14	\$250			2
Beatrice Shilstone	7/14	\$250			2
Sierra Club PAC	8/7	\$500			2
Sierra Club PAC	9/14	\$3,450			1
Signalmen's Pol League	8/19	\$250			2
Corinne Silvert	8/25	\$250			2

Mark Slane	8/25	\$250			2
Earl Smith	8/25	\$250			2
Victor Snyder	7/29	\$500			2
Jessie Steiner	8/19	\$500			2
Richard Taber	7/14	\$250			2
Rita Thal	8/10	\$100			2
Martin Tomberg	7/16	\$500			2
Michael Toner	7/22	\$250			2
Trans Wkrs Union	8/26	\$1,000			1
Trans Pol Ed League	8/25	\$5,000			1
Jeffrey Trattner	8/20	\$500			2
Treas Employees	8/3	\$500			2
Treas Employees	9/15	\$1,000			1
Edward Tufte	9/10	\$1,000		\$1,000	4
Edward Tufte	9/10	\$1,000			1
UA Pol Ed Cmte	8/11	\$1,500		\$1,500	4
UAW PAC	8/4	\$500			2
UFCW	6/30	\$5,000			1
UNITE	8/26	\$1,000			2
United Mine Wkrs	8/26	\$1,000			2
Americo Ventura	8/25	\$100			2
Washington PAC	5/29	\$500			1
Donald Weeden	6/25	\$500			1
Donald Weeden	8/26	\$500			2
Michele Welch	7/23	\$250			2
Frank Weller	8/23	\$250			2
Weygand Cmte	9/15	\$1,000			1
Heidi Winslow	8/18	\$50			2
John Wrable	8/25	\$250			2
Susan Wronowski	7/15	\$250			2
Wynn for Cong	7/24	\$1,000			2

NCS



U. S. Department of Justice

United States Attorney

District of Massachusetts

1003 J.W. McCormack Post Office & Courthouse
Boston, MA 02109

October 3, 1997

PRESS RELEASE**FORMER SMITH BARNEY BRANCH MANAGER CHARGED WITH FEDERAL
ELECTION LAW VIOLATIONS**

Boston, MA ... United States Attorney Donald K. Stern announced today that **ROBERT B. MALONEY**, 44, of East Falmouth, Massachusetts, was charged with federal election law violations, in a seventeen count information filed this morning.

The information alleges that **MALONEY**, the former branch manager of the 53 State Street, Boston office of Smith Barney, participated in a conspiracy to violate the Federal Election Campaign Act and violated various provisions of the Act by soliciting conduit contributions for the convention, primary and general election campaigns in 1994 of his brother, James H. Maloney. James H. Maloney was then the Democratic nominee for the U.S. House of Representatives in the 5th Congressional District of Connecticut. James H. Maloney lost the general election that year, but went on to be elected to Congress in 1996. U.S. Attorney Stern said that there was no evidence that Congressman James H. Maloney had any knowledge of the conspiracy or of these conduit contributions.

The information alleges that during the period from December, 1993 through November, 1994, **ROBERT B. MALONEY** solicited conduit contributions from various individuals, including brokers and others employed by Smith Barney, offered to reimburse them and, in fact, did reimburse nineteen of them. These nineteen individuals made conduit contributions in the aggregate amount of \$39,000. In the case of three other individuals, **MALONEY** solicited contributions in the aggregate amount of \$5,000, intending to reimburse them, but two of these individuals declined reimbursement and he neglected to reimburse the third.

The conduit contributions solicited by **ROBERT B. MALONEY** violated the Act in that they were made in the names of straw donors, rather than the true donor (**MALONEY**), violated the \$1,000 contribution limitation contained in the Act, and violated the provision in the Act prohibiting contributions aggregating more than \$25,000 during the calendar year.

MALONEY faces a maximum penalty of one year's incarceration and a fine of \$100,000 on each of the seventeen misdemeanor counts.

The case against **MALONEY** was investigated by the Federal Bureau of Investigation. It

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will be prosecuted by Assistant U.S. Attorney Alexandra Leake, of Stern's Public Corruption and Special Prosecutions Unit.

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